

1.82  
ADKMA

WAR FOOD ADMINISTRATION  
AGRICULTURAL ADJUSTMENT AGENCY  
Washington, D. C.

May 10, 1945

:  
: THE MEAT PRODUCTION STORY :  
:

THE PRESENT PORK SHORTAGE grew out of the tight feed situation and unfavorable corn-hog price ratio which developed in the fall of 1943 and the early part of 1944.

Answering the government's request for increased hog production for war, American farmers raised 105 million pigs in 1942 and 122 million in 1943, compared with an average of 84 million in 1939-41. This increased production was possible because large feed reserves had accumulated during 1937-42, when above-average crops were harvested.

By late 1943, feed reserves were largely exhausted, although the feed harvest in the war years has been above average. Feed prices had risen to parity levels and the corn-hog price ratio was becoming unfavorable to hog producers. To bring livestock numbers more nearly in balance with feed resources, hog producers were asked to raise about the same number of pigs in 1944 as in 1942, or 16 percent less than the all-time 1943 record.

Before the 1944 farrowing season arrived, the feed scarcity was pronounced, and farmers also were encountering serious difficulties in marketing hogs because of the inability of slaughtering plants to handle the large numbers pressing on the market. Instead of the suggested reduction of 16 percent, the spring pig crop in 1944 was reduced 25 percent and the fall crop 34 percent. The total crop for the year was 35 million head smaller than that produced in 1943, and only slightly larger than the pre-war average (1939-41).

IN THE LAST QUARTER OF 1944 -- October-December -- inspected hog slaughter was 22 percent less than a year earlier. Slaughter since January has dropped off more than seasonal. The reduction in inspected slaughter during the 6 months, October 1944-March 1945, from a year earlier amounted to nearly 15 million hogs, of which 10.3 million was in the January-March quarter.

Inspected hog slaughter during the past fall and winter was about one million head smaller than normally would be expected from the number of pigs raised. This decrease represented hogs diverted into uninspected slaughter channels; the holding back of a larger than usual proportion of sows and gilts for breeding; and delayed marketings so as to feed hogs to heavier weights.

\*\*\*\*\*

MAY 25 1945



THE REDUCTION IN TOTAL HOG SLAUGHTER during the first quarter of 1945 compared with a year earlier represents the equivalent of 1,223 million pounds of pork. Nearly one-third of this decrease is offset by an increase of about 281 million pounds of beef, 64 million pounds of veal, and 26 million pounds of lamb and mutton.

Slaughter of cattle, calves, and sheep and lambs during the quarter was the largest on record for the period, with cattle and calves combined exceeding the total of a year earlier by about 16 percent. If the same relative increase over a year earlier were maintained in the slaughter of cattle and calves during the remainder of the year, the yearly total would exceed 39 million head, or  $5\frac{1}{2}$  million more than in 1944,  $11\frac{1}{2}$  million more than in 1943, and  $2\frac{1}{2}$  million more than the 1945 slaughter goal of 37 million head.

SLAUGHTER OF SHEEP AND LAMBS during the first quarter also has been at a record rate for the season, exceeding that of a year earlier by nearly 8 percent. Maintenance of this rate of increase is not anticipated, or desirable. Last year more than 25 million sheep and lambs were slaughtered. Numbers at the end of the year were down nearly 4 million head from a year earlier, and the reduction in numbers since January 1, 1942 totals about 9 million.

#### WHAT HAS BEEN DONE

The total 1945 meat supply is expected to be more than 22 billion pounds --- about 2 billion pounds less than in 1944 but 6 billion pounds more than before the war.

To encourage greater production, these things have been done:

##### FOR PORK ---

WFA is supporting the price of Good and Choice butcher hogs, all weights up to 300 pounds, through September 1, 1946. The support price for the Chicago market is \$13.00 per hundredweight.

Farmers have been asked to raise 18 percent more fall pigs than last year or a total of 37 million head.

##### FOR BEEF ---

An additional subsidy payment not to exceed 80 cents per hundredweight is being paid on cattle to non-processing slaughterers eligible for the basic subsidy. The additional subsidy is based on what slaughterers pay for live cattle and reaches a maximum of 80 cents when the slaughterer pays his maximum permissible cost.

Maximum prices on carcass beef of Choice, Good and Commercial grades for government purchase has been increased 25 cents per cwt. Thirty-five cents has been added to the price of frozen boneless beef for the army.

ADDED  
FILE



Subsidy adjustments assure slaughterers of operating profitably.

Cattle feeding is encouraged by cancellation of the previously announced reduction, effective July 2, of 50 cents a hundredweight in the over-riding price ceiling on live cattle. The over-riding ceiling will remain at \$18.50 per cwt. In addition, all cattle purchased for feeding are exempt from price control.

\*\*\*\*\*

To encourage a more equitable DISTRIBUTION of available supplies of all meats, these things have been done:

1. More meat is being diverted to federally-inspected slaughterers. About 42 percent of the civilian meat supply this year comes from non-federally inspected slaughterers. Since only federally-inspected meat can be shipped from one state to another, surplus-producing areas have more meat for civilian use in relation to pre-war supplies than deficit-producing areas.

Non-federally inspected slaughterers are now allowed subsidy payments on not more than 50 percent of the liveweight hogs killed in a corresponding accounting period a year ago. The percentage for cattle and calves is 75 and for sheep and lambs 100.

2. OPA has assigned cattle slaughter quotas to all non-federally inspected plants to divert more cattle into federally inspected plants. This provides more meat for army purchase and increases the supply of meat which may be shipped interstate.
3. Farmers are required to report all their sales or transfers of dressed meat to their local OPA War Price and Ration boards and account for red ration points. They may not sell or transfer any more meat in any quarter this year than they sold or transferred in the corresponding quarter last year. This directs more meat into regular slaughter and trade channels.

AND IN ADDITION --

To help ease the tight supply for U. S. civilians, WFA has reduced allocations for lend-lease shipments in the second quarter, April through June. The War Department has cut down on the meat for prisoners of war, using more meat substitutes.

Total meat supplies allocated for the second quarter are estimated at about 5,545,000,000 pounds --- 6 percent less than during the first quarter. Civilians are allocated 3,786,300,000 pounds --- 12 percent less, but our armed forces will receive 1,381,000,000 pounds or 4 percent more than for the first quarter. About 25 million pounds will go to our fighting allies. About one of every three pounds is for non-civilian consumption.



About 115 pounds of meat per civilian is now available compared with about 143 pounds a year ago.

Ration points have been raised on virtually all cuts of meat to distribute available supplies more equitably among consumers. Points have been restored to pork and certain cuts of beef, veal, lamb, and mutton which were made point-free last summer when supplies hit an all-time record.

To assure army supplies, federally-inspected packers must set aside temporarily for government purchase all Choice, Good and Commercial beef from which 60 percent may be selected; 80 percent of their Utility grade beef -- cows included; and 80 percent of their Canner and Cutter grade beef; and about 50 percent of their pork.